

Information Request DTE 1-1

In each Company filing, the Company's budget allocation provides for a DOER assessment charge and a DOER report charge.

- A. Please explain each individual item attributed to both the Assessment and the Report, the value of each individual item, and the calculation for each amount.
- B. Please explain whether any expenses for the DOER Report are already included in the DOER assessment.

Response

RCS Assessment: The Office of Consumer Affairs sends annually to DOER the total RCS assessment for the fiscal year. The maximum amount appears as a line item in the state budget. However, the assessed amount is actual DOER RCS expenses and takes into account- unspent money from the previous year. The assessment is apportioned by the RCS Guidelines 2.3.2.1.2 Assessment Budget and Apportionment Formula. This formula is: $\% \text{Contribution} = ((\# \text{ARC} / \# \text{TRC}) + (\text{AR} - \text{MMBtus} / \text{TR} - \text{MMBtus})) / 2$

ARC = Administrator Residential Customers

TRC = Total Residential Customers

AR = MMBtus = Administrator's Residential MMBtus

TR = MMBtus = Total Residential MMBtus

In order to account for the difference in price difference of natural gas and electricity, DOER multiplies electric MMBtus by a fuel value adjustment charge of three.

Evaluation: Funds in the DOER report will cover the cost of the third party contractor hired to complete the program evaluation, and utility staff time in overseeing that evaluation. No expenses in the DOER evaluation report budget are included in the DOER assessment.